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16 UNITED STATES DISTRICT COURT
17 DISTRICT OF ARIZONA

18 JFXD TRX ACQ LLC, a Florida Limited
19 Liability Company, dbat TRX

20 Plaintiff,

21 v.

22 trx.com et al.,

23 Defendants.

Case No. 2:23-cv-02330-PHX-ROS

**STATEMENT IN SUPPORT OF ACPA
CLAIM**

Judge: Honorable Judge Roslyn O. Silver

24 This Court, on January 9, 2024, asked TRX to file a “statement explaining how its
25 cybersquatting claim is viable.” (Dkt. #82, page 5). The Court points to *GoPets Ltd. v. Hise*, 657
26 F.3d 1024, 1030 (9th Cir. 2011), and *Blair v. Automobili Lamborghini SpA*, 2023 WL 454852, at *2
27 (D. Ariz. July 14, 2023), which stands for the notion that a transfer of a URL acquired pre-brand
28 arrival insulates a subsequent buyer against claims under the Anti-Cybersquatting Consumer

1 Protection Act (“ACPA”) 15 U.S.C. § 1125(d). It is very easy to demonstrate how Defendant’s
2 purchase in 2022 at a registrar is a “registration” under GoPets and not a “re-registration” for which
3 the ACPA is tolled. In support, Plaintiff offers:

4 **I. REGISTRATION V RE-REGISTRATION UNDER GOPETS**

5 GoPets reminds us: “When an individual registrant registers a domain name, she pays the
6 registrar a fee and gives the registrar a registrant name, along with contact, billing, and technical
7 information.” *GoPets Ltd. v. Hise*, 657 F.3d 1024, 1030 (9th Cir. 2011)(emphasis added). “Because
8 Edward Hise [a Defendant] registered gopets.com in 1999, long before GoPets Ltd. registered its
9 service mark, Digital Overture's re-registration and continued ownership of gopets.com does not
10 violate § 1125(d)(1).” *Id.* at 1031. The case explains how registrar information can be updated,
11 periodically when a good faith transfer, sale, change of contact happens and these are not
12 “registration” but “re-registration.”

13 In *GoPets*, Defendant and URL owner Hise purchased the URL www.gopets.com with a
14 good faith desire as early as March 1999. In 2004, a later-in-time Korean brand arrived, and was
15 fully registered by 2006. When 2005 turned the corner, the parties were unable to consummate a
16 sale. The Korean later-in-time brand owner proceeded to the UDPR ICANN which denied the
17 request. By late 2006, the brand owner offered \$40,000 while Edward Hise “transferred” the URL
18 to his own entity named “Digital Overture Inc.” as negotiations resumed the negotiation now asking
19 for \$5 million. *GoPets Ltd. v. Hise*, 657 F.3d 1024-1029 (9th Cir. 2011). To the Court, sale from Mr.
20 Hise to Digital Overture Inc. was a comity of ownership and did not qualify as “registration” and
21 instead was seen as a “re-registration.” Not every act can qualify as “re-registration” or this would
22 create an ad infinitum safe harbor to a URL against the ACPA and as shown below would result in
23 a non-sensical status of URLs purchased today.

24 The 9th Circuit explaining how its holding is coherent with the 3rd Circuit in *Schmidheiny v.*
25 *Weber*, 319 F.3d 581 (3rd Cir. 2003), wrote: “The Third Circuit assumed that Weber's initial
26 registration of schmidheiny.com was not covered by § 8131(1)(A) because it had been made before
27 the passage of ACPA. Based on that assumption, the Third Circuit was concerned that holding that
28 re-registration was not “registration” within the meaning of ACPA would “permit the domain names

1 of living persons to be sold and purchased without the living persons' consent, ad infinitum, so long
2 as the name was first registered before the effective date of the Act.” Id. However, we believe that
3 the Third Circuit erred in assuming that Weber's initial registration was not covered by ACPA. We
4 agree with the holding of the Second Circuit in *Sporty's Farm* that § 1125(d)(1)—and, by extension,
5 § 8131(1)(A)—apply to registrations made before the passage of ACPA. See *Sporty's Farm*, 202
6 F.3d at 496–97. If Weber's initial registration violated § 8131(1)(A), as we would hold it did, the
7 Third Circuit's concern evaporates.” (quotations omitted) Id. at 1032. The 9th Circuit did not want to
8 eviscerate the ACPA and was careful with the broad reach of its holding.

9 The 9th Circuit also clearly explained: “When an individual registrant registers a domain
10 name, she pays the registrar a fee and gives the registrar a registrant name, along with contact, billing,
11 and technical information. The words “registration” and “register” are not defined in ACPA. It is
12 obvious that, under any reasonable definition, the initial contract with the registrar constitutes a
13 “registration” under ACPA.” Id. at 1031 (emphasis added). Buying from a registrar is a registration
14 and the ACPA and applies at the time of this contact / purchase. Re-registration occurs when the first
15 buyer sells or alters the registrar contact to a new party in comity. A party who owns a URL and fails
16 to renew it sees the URL fall back to the public domain back to a registrar and a new cycle begins
17 with registration as the first act.

18 **II. SELLING URLs CANNOT BE RE-REGISTRATIONS AS THIS LEADS TO A NON-** 19 **SENSICAL APPLICATION OF THE LAW**

20 Below is an image of the www.4.cn page where URLs are purchased and registered by new
21 owners. As shown below, this is the site where Defendant claimed to have purchased <trx.com> in
22 2022. If the *GoPets* doctrine with ad infinitum “re-registration” rights lingers on one URL and not
23 the other, a buyer would be clueless if certain of these registrations qualified as “registrations” and
24 other “re-registrations” immune to the ACPA. Today the website sells <55pz.com>. If a famous U.S.
25 brand named “55PZ” born in 2015 saw this, would a purchaser secure it as a “registration” or a “re-
26 registration”? The purchase on this site, a registrar clearly qualifies as registration under *GoPets*.

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The screenshot shows the homepage of 4.cn, an eName.com company. The header includes a search bar and navigation links. The main content area features a 'whois APP 1.0' advertisement with a QR code and a grid of 'Featured BIN Sales' with various domain listings and prices. A 'Featured Domains' table is also visible, listing domains like 8032.com, malgu.com, and 952266.com.cn. On the right side, there is a 'Sign In' section and an 'Apply for Brokerage' form.

Domain Name	Category	Listing Price
8032.com		make offer
malgu.com		make offer
952266.com.cn	Uncategoried	make offer

website www.4.cn selling URLs

The ACPA is clear, URLs are not candies or digital investments to be collected freely. When acquired, famous known brands have rights. Good faith buyers are always immune from the ACPA, so buying <coca-cola.com> to launch a new shoe brand is legal and good faith. Using the URL to display your own soda bottles is legal. But collectors or investors, at the time of purchase can be subject to the ACAP if they acquire brand similar to famous brands without good faith use but simply to profit. The entire purpose of the ACPA was to protect brand owners, carve out against such purchases.

III. AS VALUE OF URLS PLUMMET, THIS COURT WILL SEE MORE REGISTRATIONS POST RE-REGISTRATION PERIODS

Once upon a time URLs were very valuable for two key reasons; there was a very limited supply all trading using the TLD “.com” and the demand was exploding as everyone needed a simple URL to be typed and memorized by customers. Today’s world is different. Dynamic links, peppered

1 in every email now allow individuals to surf without even knowing or seeing a URL The modern
 2 cell phone browsers even pass on showing the URL. ICANN also democratized the three letter
 3 extension TLDs. The once supreme .com was diluted to hundreds of choices. GoDaddy.com® and
 4 4.cn® both offer the URL <trx.com.co> for \$19.99/year. This URL is available for “registration” by
 5 Plaintiff at a click (and not re-registration under the ACPA). Plaintiff is in the world of fitness and
 6 can get <trx.studio> for \$139.99, and <trx.coach> for only \$19.99. As the URL values crash, business
 7 owning these URLs simply let them lapse and return to the public domain. As shown below, this
 8 case is a great example of this trend. Defendant admits buying the URL from a registrar in 2022, the
 9 same way Plaintiff can now buy <trx.com.co> from GoDaddy®.¹

10 **IV. THE OWNERSHIP STORY OF <TRX.COM> FROM 1999 TO 2023 CONFIRMS**
 11 **THE 2020/2022 PERIOD RESULTED IN DROP TO REGISTRAR AND**
 12 **SUBSEQUENT REGISTRATION AND NOT RE-REGISTRATION**

13 **I. <TRX.COM> BORN IN 1999 AS PART OF AN OMNIBUS GRAB OF URLS**
 14 **GIVING BIRTH TO ALL SMALL URLs**

15 The WHOIS® from ICANN® show the birth of the URL <trx.com> on 1999-03-06. It is
 16 unclear who initially owned it creation but Congress, as part of the U.S. Cyber-piracy Act specifically
 17 noted:

18 *“In another example of bad-faith abuses of the domain name registration*
 19 *system, Network Solutions--the domain name registry that administers the*
 20 *Internet's “.com,” “.net,” “.org,” and “.edu” top level domains--pulled on a*
 21 *London computer club in May, 1999, that had registered over 75,000 domain*
 22 *names using an automated computer program. Their aim was to lock up all*
 23 *available four letter domains by systematically reserving every possible*
 24 *combination of letters, starting with aaaa.com, then aaab.com, aaac.com, up to*
 25 *zzzz.com, until every available combination had been reserved.*

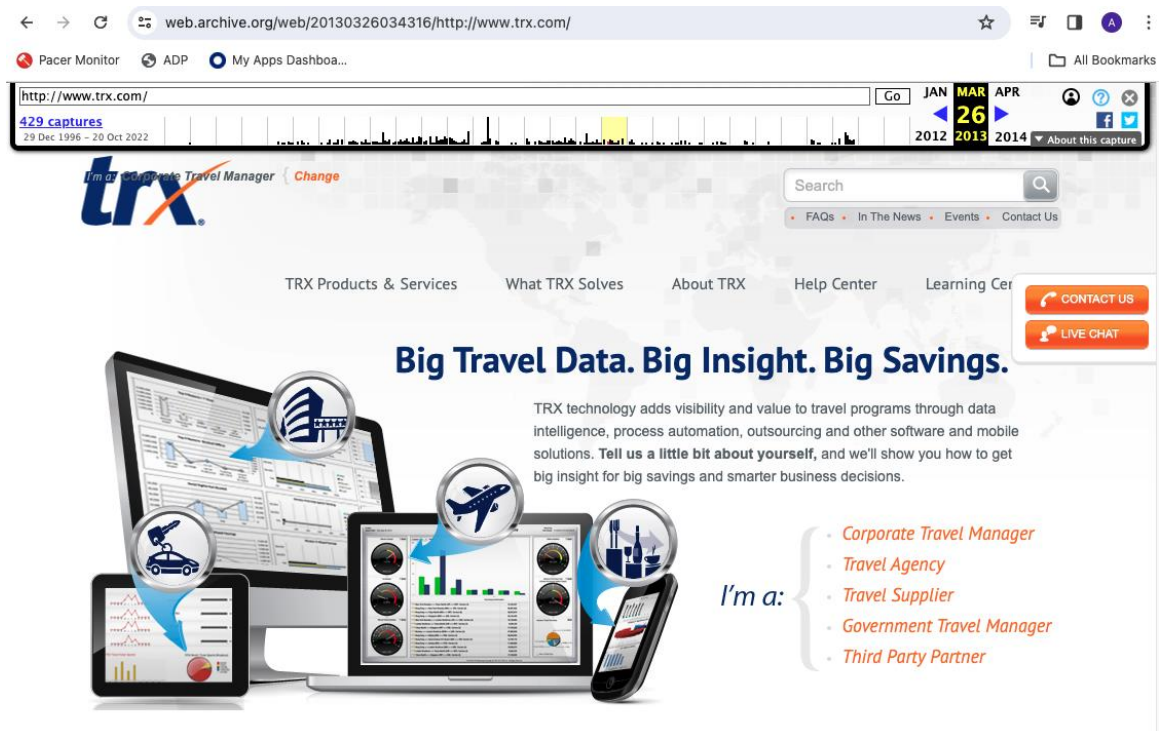
26 Section III, Discussion. Report to the Committee on the Judiciary, The Anti-cybersquatting
 27 Consumer Protection Act, Senate Report 106-140, 1st Session, August 5, 1999 (quoting “Run on
 28 Domain Names Foiled, Wired News,” May 27, 1999). Plaintiff assumes <trx.com> likely was part

¹ One of the key factors under the ACPA is “substantial similarity” which arguably weakens any rights against URLs with other words.

1 of this first omnibus cybersquatting. Clearly simple existence in 1999 cannot exclude each of these
 2 URLs from the ACPA unless a brand is 25+ years old.

3 **II. AROUND 2000 <TRX.COM> WAS “ACQUIRED” BY TRX Inc.**

4 The online web archive (web.archive.com) evidence that around 2000, a good faith owner
 5 called TRX Inc. from Atlanta (unrelated to this brand) began using <trx.com>. TRX Inc. from
 6 Atlanta, an outsourcing and data management company filed for protection of TRX in Classes 035,
 7 039, and 042.² The application’s own first use of TRX dates back to 2000. This company called
 8 “TRX Inc.” began to use <trx.com>. Below is an image from 2013, a date that post-dates Plaintiff’s
 9 brand.



2013 Page of use of <trx.com> by TRX Inc. from Atlanta

24 **III. <TRX.COM> TRANSFERRED TO CONCUR AROUND 2013**

25 Upon information and belief, and upon investigation, around in 2013, a Nasdaq-traded
 26 company named Concur® (now a division of SAP®) acquired TRX Inc. TRX Inc.’s trademark began
 27 to float at the trademark office until it was cancelled. The online archives show that from 2013 to

28 ² U.S. Registration No. 2,707,451 for TRX & design in Classes 035, 039, and 042, Application Date February 14, 2000, and Registration Date of April 15, 2003.

1 2019, the URL was of little to no use. When 2019 turned the corner, a single yearly recording by the
 2 archive system showed a redirect to the “concur.com.” In 2020, the “Wayback Machine” seeing no
 3 activity registered and no record. There is no evidence of use as anything but a redirect. The transfer
 4 of ownership from TRX Inc. to Concur in 2013 is explicitly what *GoPets* is designed to protect.

5 **IV. <TRX.COM> FALLS TO THE PUBLIC DOMAIN AROUND 2020-2021**

6 The URL fell in the public domain and any chain of ownership dropped. The Wayback®
 7 machine shows the URL resurfaces to life in 2021 and offers a picture of an offer page for sale of
 8 the URL for nothing short of \$1,458,745 USD (€1,200,000). The button “purchase now” directed to
 9 the website “dan.com” which research shows was founded in 2014, and is owned by GoDaddy, Inc.,
 10 the registrar itself. This is evidencing the URL was abandoned as no one sells back a URL to a
 11 registrar, and this is compounded by the fact Concur® / SAP® is not in the business of selling URLs.
 12 The current “Registrar” is GoDaddy.com, LLC and the listed “Registrant” is “au tuu” and not the
 13 Defendant Ming.³ This broke any chain of ownership.

14 **V. “MING” EVEN ADMITS BUYING THE URL IN 2022 FROM A REGISTRAR**

15 As part of the Defendant’s own admissions, he provides: “Recently, the Plaintiff became
 16 interested in investments in digital assets, and was advised that the internet domain name TRX.com
 17 was available for sale.” (Case 2:22-cv-02042, Document 1, ¶ 10). “After learning that non-distinctive
 18 short domain names have substantial value, Plaintiff was informed the Domain Name was available
 19 for purchase, and the Plaintiff purchased the Domain Name TRX.com in April 2022, more than
 20 \$138,000 in out-of-pocket costs through a brokerage service provided by an internet domain name
 21 marketplace where it was for sale.” (Case 2:22-cv-02042, Document 1, ¶ 16). “The Domain Name
 22 was available for purchase through a publicly accessible internet brokerage at www.4.cn. Prior to
 23 Plaintiff’s purchase of the Domain Name at substantial cost, any other person, including Defendant
 24 could have purchased the Domain Name on the same terms.” (emphasis added). (Case 2:22-cv-
 25 02042, Document 1, ¶ 18). For Defendant to predate the 2004 brand, the 2022 purchase must be in
 26 continuation of ownership with the pre 2004 owners. Ming admits he purchased the URL on April

27 _____
 28 ³ Ownership of a brand is presumed from a Certificate of Registration (15 U.S.C. 1057(b)).
 Ownership of the URL <trx.com> should be inferred as being the Registrant, namely “au tuu.”

1 2022, more than 15+ years after the brand. More importantly, it is important to understand how the
2 website www.4.cn in fact is only a broker that buys from registrars like GoDaddy.com.

3 **VI. FURTHER EVIDENCE A REGISTRAR OWNS THIS URL**

4 Mid 2022, Plaintiff looked if the URL was available for \$19.99 on GoDaddy®. It was not.
5 GoDaddy LLC offered a paid broker service for \$69.99. Plaintiff gladly paid. What happened next
6 is worthy of a fiction book. Within the hour, an excited private agent called saying he was from the
7 GoDaddy brokerage. There was a smell of money in the air, the same vibe as entering a used car
8 showroom. The GoDaddy refused to contact the owner to simply see if it was willing to sell. The
9 WHOIS had listed “au tuu” from Iceland and Plaintiff’s previous efforts never worked. The agent
10 was forceful and explained the URL was “worth millions” and tried to bully Plaintiff in giving an
11 initial seven number initial offer. Plaintiff, pushed back saying a broker should not have an incentive
12 to raise prices and online tools priced this, at most, in the mid five figures. The exchanges were so
13 forceful, Plaintiff reported the misconduct to GoDaddy LLC who then magically assigned a new
14 broker. The second agent was in shock and did not know who the first agent was and what had
15 happened.

16 **V. THIS URL WAS REGISTERED IN 2022, NOT RE-REGISTERED AND THE ACPA**
17 **APPLIES TO THE PURCHASE AS THE PLAINTIFF’S BRAND WAS 15+ YEARS**
18 **PROTECTED AND FAMOUS**

19 The patented technology known as TRX® was born in 2003. Fitness Anywhere LLC, the
20 first brand owner, applied for the three-letter trademark TRX® late in 2004.⁴ This first registration
21 issued in 2007 with the 2005 date of first use and a 2004 date of priority. This date is admitted as the
22 birth of TRX®. If Defendant can show (a) ownership, and (b) a chain of title / transfer which predates
23 2004, arguably the GoPets doctrine could apply. Here, the Defendant admits the URL fell back in
24 the public domain and was purchased from a registrar. The facts here given support “registration” by
25 Defendant, not “re-registration.” The historical investigation also supports such a finding alongside
26 with the strange broker event in 2022.

27 If somehow the URL <apple.com> was acquired by a good faith owner or before the arrival

28 ⁴ U.S. Registration No. 3,202,696, for TRX in Class 028. It was filed November 5, 2004, first use January 31, 2005.

1 of the brand, subsequent sales downstream for value benefit from the GoPets re-registration doctrine.
2 But if an owner drops the URL, fails to renew it, then it returns in a common depository where the
3 URL is then “registered” by a whole new person. The simple part of it is that buyer beware when
4 buying a new URL on a registrar site. Courts will protect your interest and the interest of those in
5 comity after you to preserve your value, but not if the clock is reset.

6 **VI. MOTION FOR LEAVE TO FILE AN AMENDED COMPLAINT**

7 Plaintiff thanks this Court for addressing this issue sua sponte. Plaintiff will gladly amend the
8 complaint now filed almost a year ago to plead these facts if this can help either overcome the Court’s
9 concerns or create a better record on appeal. Defendant has admitted here he “registered” this URL,
10 and this is not a case of “re-registration” to preserve value for a good faith purchaser back in 1999.

11 Dated: January 18, 2024

By: /s/ Alain Villeneuve (pro hac)

12 Attorney for Plaintiff
13
14

15 **CERTIFICATE OF SERVICE**

16 I hereby certify on January 18th, 2024 I electronically transmitted the foregoing document to the
17 Clerk’s Office using the CM/ECF System for filing and transmittal of a Notice of Electronic Filing
18 to the following CM/ECF registrant:

19 Michael B. Marion
20 **BYCER & MARION**
21 7220 N. 16th Street, Suite H
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23 michael@bycelmarion.com
24 Attorney for Defendant Loo Tze Ming
25
26
27
28